

Contract for Purchase of Assets From a Corporation

1. Names. Zeneida Perdomo, Biomedica Corporation
 Seller, and Maria D. Carmen Garcia, CNDR HOLDINGS
 Buyer, agree to the following sale.

2. Sale of Business Assets. Seller is selling to Buyer and Buyer is buying from Seller the assets of the business known as Biomedica Corporation
 located at 1849 Old Bayshore Hwy #200, 202, 219
Burlingame, CA 94010

3. Assets Being Sold. The assets being sold consist of:

☒ A. The inventory of goods.

☐ B. The furniture, fixtures, and equipment listed in attached Schedule A.

☐ C. The lease dated _____, between _____

_____, Seller, and _____

_____, Landlord, covering the premises at _____

☐ D. The contracts listed in attached Schedule B.

☒ E. The goodwill of the business, including the current business name and phone number.

☒ F. Other: trademark, patents

4. Purchase Price. The purchase price is \$ 486,000 USD, allocated as follows:

A. Furniture, fixtures, and equipment

\$ 0

B. Assignment of lease

\$ 0

C. Assignment of contracts

\$ 0

D. Goodwill

\$ 0

E. Other: trademark

\$ 486,000

\$ 486,000

Total

☐ The total purchase price will be adjusted by prorating rent, taxes, insurance premiums, utility costs, and security deposits as of the date of closing.

☐ The total purchase price will be adjusted at closing by adding the price of the inventory as covered in paragraph 5.

☐ 5. Price of Inventory. (Optional)

At closing, in addition to the total purchase price listed in paragraph 4, Buyer will buy the inventory by paying Seller the amount Seller paid for those goods. A physical count of the goods will be made by:

☐ Seller and Buyer.

☐ an inventory service company mutually agreed upon by Seller and Buyer.

The count will be made _____ days before closing and will include only unopened and undamaged goods. If an inventory service company is used, Seller and Buyer will share the cost of the service equally.

☒ Buyer will pay no more than \$ 0 for the goods.



12. **Closing.** The closing will take place:

Date: 11/13/07

Time: 4:00pm PST

Location: Burlingame, CA and Santo Domingo, DR

At closing, Buyer and Seller will sign the documents specified in this contract and all other documents reasonably needed to transfer the business assets to Buyer. Buyer will pay Seller the amounts required by this contract and Seller will transfer the business assets to Buyer.

13. **Documents for Transferring Assets.** At closing, Seller will deliver to Buyer these signed documents:

- ☐ A. A bill of sale for the tangible assets being bought, with a warranty of good title.
- ☐ B. An assignment of the lease, with the landlord's written consent.
- ☐ C. Assignment of any other contracts that are being transferred to Buyer, with the written consent of the other contracting person, if such consent is required.
- ☒ D. Assignments of all trademarks, patents, and copyrights that are part of this purchase.

Seller will also deliver to Buyer at closing all other documents reasonably needed to transfer the business assets to Buyer.

14. **Seller's Representations.** Seller warrants and represents that:

- A. Seller has good and marketable title to the assets being sold. The assets will be free from encumbrances at closing.
- B. At closing, Seller will have paid all taxes affecting the business and its assets.
- C. There are no judgments, claims, liens, or proceedings pending against Seller, the business, or the assets being sold and none will be pending at closing.
- D. Seller has given Buyer complete and accurate information, in writing, about the earnings of the business, its assets and liabilities, and its financial condition.
- E. Until closing, Seller will not enter into any new contracts or incur any new obligations and will continue to conduct its business in a normal manner.
- F. Other: _____

These warranties and representations will survive the closing.

15. **Buyer's Representations.** Buyer warrants and represents that:

- A. Buyer has inspected the tangible assets that Buyer is purchasing and the premises covered by the lease, as applicable, and is satisfied with their condition except for: NO Lease is being purchased
- B. Buyer has given Seller accurate information about Buyer's financial condition.

These warranties and representations will survive the closing.

☐ 16. **Covenant Not to Compete.** (Optional)

For 2 ~~years~~ months following the closing, the shareholders of the corporation being sold ("former owners") and the spouses of former owners who sign this contract will not directly or indirectly participate in a business that is similar to a business now or later operated by Buyer in the same geographical area. This includes participating in former owner's own business or in former owner's spouse's business or acting as a co-owner, director, officer, consultant, independent contractor, employee, or agent of another business.



6. Accounts Receivable

☐ Seller's accounts receivable will remain Seller's property. Buyer will within ten days send Seller the proceeds of any of Seller's accounts receivable that Buyer may collect after closing.

☒ At closing, Buyer will purchase all of Seller's accounts receivable that are no more than 30 days old. Buyer will pay Seller the balances owed on these accounts less 0 %.

7. **Deposit.** Buyer will pay Seller a deposit of \$ 0 when Buyer and Seller sign this contract. This amount will be applied toward the amount listed in paragraph 4. Seller will return this deposit to Buyer if the purchase is not completed because Seller cannot or does not meet its commitments.

8. **Payments at Closing.** At closing, Buyer will pay Seller the following amounts, using a cashier's check:

☐ \$ _____ to be applied toward the amount listed in paragraph 4.

☐ The value of the inventory as determined under paragraph 5.

☒ The value of the accounts receivable as determined under paragraph 6.

☐ 9. **Promissory Note. (Optional)**

At closing, Buyer will give Seller a promissory note for the balance of the purchase price. The promissory note will be signed by Buyer.

☐ **Buyer is a sole proprietor and a cosigner will personally guarantee payment.** _____ will sign the promissory note along with Buyer. Each signer will be jointly and individually liable for payment.

☐ **Buyer is a partnership.** Each partner will cosign the promissory note and will be jointly and individually liable for payment.

☐ **Buyer is a corporation or LLC and the owners will personally guarantee payment.** The following people will personally guarantee the promissory note and will be jointly and individually liable for payment:

The promissory note will contain the following terms:

A. The unpaid balance will be subject to interest at the rate of _____ % a year.

B. Buyer will pay \$ _____ on the _____ day of each month beginning one month after the closing until the principal and interest have been paid in full.

C. The entire amount of principal and interest will be paid by _____.

D. Payments will be applied first to interest and then to principal.

E. Buyer may prepay all or any part of the principal without penalty.

F. If Buyer is more than _____ days late in making a payment, Seller may declare that the entire balance of the unpaid principal is due immediately, together with the interest that has accrued.

10. **Security for Payment.** At closing, to secure the payment of the promissory note, Buyer will sign a security agreement giving Seller a security interest in:

☐ The assets that Buyer is purchasing.

☐ The lease that is being assigned to Buyer.

Seller may file a Uniform Commercial Code Financing Statement to further protect Seller's security interest in the Secured Property.

11. **Seller's Debts.** Buyer is not assuming any of Seller's debts or liabilities. At or before closing, Seller will pay all debts and liabilities that are or may become a lien on the assets being bought by Buyer.

At closing, Seller will confirm in an affidavit that Seller has paid all debts and liabilities of the business, including those that are known and those that are in dispute.



In particular, the former owners and the spouses of former owners who sign this contract will not:

- (a) solicit or attempt to solicit any business or trade from Buyer's actual or prospective customers or clients
- (b) employ or attempt to employ any employee of Buyer
- (c) divert or attempt to divert business away from Buyer, or
- (d) encourage any independent contractor or consultant to end a relationship with Buyer.

The former owners and the spouses of former owners acknowledge and agree that if any former owner or spouse of a former owner breaches or threatens to breach any of the terms of this paragraph 16, Buyer will sustain irreparable harm and will be entitled to obtain an injunction to stop any breach or threatened breach of this paragraph 16.

Each former owner and each spouse of a former owner, by signing this agreement, accepts and agrees to be bound by this covenant not to compete. At closing, Buyer will pay each former owner and each spouse of a former owner \$ 0 for this covenant not to compete.

17. **Risk of Loss.** If business assets are damaged or destroyed before closing, Buyer may cancel this contract, in which case Seller will promptly return the deposit.

18. **Disputes**

- ☐ **Litigation.** If a dispute arises, either party may take the matter to court.
- ☐ **Mediation and Possible Litigation.** If a dispute arises, the parties will try in good faith to settle it through mediation conducted by
- ☐ _____
- ☐ a mediator to be mutually selected.

The parties will share the costs of the mediator equally. Each party will cooperate fully and fairly with the mediator and will attempt to reach a mutually satisfactory compromise to the dispute. If the dispute is not resolved within 30 days after it is referred to the mediator, either party may take the matter to court.

- ☐ **Mediation and Possible Arbitration.** If a dispute arises, the parties will try in good faith to settle it through mediation conducted by
- ☐ _____
- ☒ a mediator to be mutually selected.

The parties will share the costs of the mediator equally. Each party will cooperate fully and fairly with the mediator and will attempt to reach a mutually satisfactory compromise to the dispute. If the dispute is not resolved within 30 days after it is referred to the mediator, it will be arbitrated by

- ☐ _____
- ☐ an arbitrator to be mutually selected.

Judgment on the arbitration award may be entered in any court that has jurisdiction over the matter.

Costs of arbitration, including lawyers' fees, will be allocated by the arbitrator.

19. **Additional Agreements.** Seller and Buyer additionally agree that: Maria D. Garcia, buyer
has a promissory note payable to her
which was applied to the purchase price.

20. **Entire Agreement.** This is the entire agreement between the parties. It replaces and supersedes any and all oral agreements between the parties, as well as any prior writings.



21. **Successors and Assignees.** This agreement binds and benefits the heirs, successors, and assignees of the parties.
22. **Notices.** All notices must be in writing. A notice may be delivered to a party at the address that follows a party's signature or to a new address that a party designates in writing. A notice may be delivered:
- (1) in person
 - (2) by certified mail, or
 - (3) by overnight courier.
23. **Governing Law.** This agreement will be governed by and construed in accordance with the laws of the state of Delaware, and California.
24. **Counterparts.** This agreement may be signed by the parties in different counterparts and the signature pages combined will create a document binding on all parties.
25. **Modification.** This agreement may be modified only by a written agreement signed by all the parties.
26. **Waiver.** If one party waives any term or provision of this agreement at any time, that waiver will only be effective for the specific instance and specific purpose for which the waiver was given. If either party fails to exercise or delays exercising any of its rights or remedies under this agreement, that party retains the right to enforce that term or provision at a later time.
27. **Severability.** If any court determines that any provision of this agreement is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this agreement invalid or unenforceable and such provision shall be modified, amended, or limited only to the extent necessary to render it valid and enforceable.

SELLER

Name of Business: Biomedica Corporation
a Delaware Corp.
By: See attached Dated: 11/13/07
Printed Name: Zeneida Perdomo
Title: President & Owner
Address: 874 Balboa Lane
Foster City, CA 94404

BUYER

Name of Business: CNDR Holdings LLC
a California
By: Maria Del C Garcia Dated: 11/13/07
Printed Name: Maria Del C Garcia
Title: Owner
Address: 808 Estudillo Ave
San Leandro, CA 94577

